

# Exhibit 25

August 26, 2020 email from Gregory Pesce to Andrew Zatz, Geoffrey Harrison and Brian Schartz re Revised Confidentiality Agreement

## Sy Polky

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**From:** Pesce, Gregory F. <gregory.pesce@kirkland.com>  
**Sent:** Wednesday, August 26, 2020 8:47 AM  
**To:** Zatz, Andrew; Geoffrey L. Harrison; Schartz, Brian  
**Cc:** Zakia, Jason; Shahid Ghauri; Tracy W. Krohn; Janet Yang; Herman, Neil E.; Ben Meir, Maya  
**Subject:** RE: Arena Energy - Confidentiality Agmt w W&T Offshore  
**Attachments:** Arena - Letter to W&T [K&E Draft 8-26]\_(70634405\_9)-2.PDF

Andrew: Please see the attached correspondence.

### Gregory F. Pesce

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[gregory.pesce@kirkland.com](mailto:gregory.pesce@kirkland.com)

**From:** Zatz, Andrew <azatz@whitecase.com>  
**Sent:** Tuesday, August 25, 2020 7:03 PM  
**To:** gharrison@susmangodfrey.com; Schartz, Brian <bschartz@kirkland.com>; Pesce, Gregory F. <gregory.pesce@kirkland.com>  
**Cc:** Zakia, Jason <jzakia@whitecase.com>; Shahid Ghauri <sghauri@wtoffshore.com>; Tracy W. Krohn <tracy@wtoffshore.com>; Janet Yang <jyang@wtoffshore.com>  
**Subject:** RE: Arena Energy - Confidentiality Agmt w W&T Offshore



I am writing to follow up on the below and am looping in the K&E team.

We are available for a call tomorrow to discuss if that would be helpful to get the Confidentiality Agreement finalized and signed up.

Best regards,  
**Andrew Zatz** | Partner  
T +1 212 819 8504 M +1 845 558 1024 E [azatz@whitecase.com](mailto:azatz@whitecase.com)  
White & Case LLP | 1221 Avenue of the Americas | New York, NY 10020-1095

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**From:** Zatz, Andrew  
**Sent:** Monday, August 24, 2020 9:29 PM  
**To:** 'gharrison@susmangodfrey.com' <[gharrison@susmangodfrey.com](mailto:gharrison@susmangodfrey.com)>  
**Cc:** Zakia, Jason <[jzakia@whitecase.com](mailto:jzakia@whitecase.com)>; 'Shahid Ghauri' <[sghauri@wtoffshore.com](mailto:sghauri@wtoffshore.com)>; 'Tracy W. Krohn' <[tracy@wtoffshore.com](mailto:tracy@wtoffshore.com)>; 'Janet Yang' <[jyang@wtoffshore.com](mailto:jyang@wtoffshore.com)>  
**Subject:** Arena Energy - Confidentiality Agmt w W&T Offshore

Geoffrey,

On behalf of W&T Offshore, attached are clean and marked copies of a revised Confidentiality Agreement with Arena Energy reflecting our comments. As W&T has made clear in the past, while W&T is happy to protect the Company's confidential information, this agreement should not limit W&T's ability to discuss any proposal it may submit with the Company's creditors and other stakeholders. To be clear, W&T seeks the ability to discuss its proposal with these parties; not any confidential information the Company may share with it. We are happy to discuss our mark up. Thank you for your prompt attention.

Best regards,

**Andrew Zatz** | Partner

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**KIRKLAND & ELLIS LLP**  
AND AFFILIATED PARTNERSHIPS

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August 26, 2020

**Via Electronic Mail**

Andrew Zatz  
White & Case LLP  
1221 Avenue of the Americas  
New York, New York 10020-1095

**Re: In re Arena Energy, LP, et al., No. 20-34215 (Bankr. S.D. Tex.)**

Dear Mr. Zatz:

As you know, Kirkland & Ellis LLP is counsel to Arena Energy, LP (“Arena”) and certain affiliates, as debtors and debtors in possession (collectively, the “Debtors”), in the above-captioned proceedings. We assume that, notwithstanding Locke Lord LLP’s appearance at the first day hearing of Arena’s chapter 11 cases and its correspondence to me on Friday, White & Case LLP now represents W&T Offshore, Inc. (“W&T”) in this matter, including with respect to the subject matter of your email correspondence dated August 24, 2020. Please let us know if that assumption is incorrect.

The Debtors filed for chapter 11 with a value-maximizing Restructuring Support and Plan Sponsor Agreement (the “RSA”).<sup>1</sup> The RSA is the result of a months-long process and hard-fought negotiations spearheaded by the independent Transaction Committee with the assistance of Evercore Group, L.L.C. (“Evercore”), Arena’s investment banker. The results of that process speak for themselves: approximately 72.4% of Arena’s revolving facility lenders and approximately 94% of its term loan lenders have signed the RSA.

Arena’s exhaustive efforts to reach broad-based agreement on the RSA involved Evercore’s extensive marketing of Arena’s assets to approximately 900 third parties—including W&T, whom Evercore vigorously pursued even though W&T refused to sign a standard form of non-disclosure agreement on at least two separate occasions. Arena, through the Transaction

<sup>1</sup> Capitalized terms used but not defined herein shall have the meaning otherwise ascribed to such terms in the RSA. The RSA and accompanying Plan Sponsor Agreement are available free of charge at <http://www.kccllc.com/arena>.

## KIRKLAND &amp; ELLIS LLP

Andrew Zatz  
 August 26, 2020  
 Page 2

Committee and its advisors, at all times kept its revolving facility lenders apprised of W&T's various efforts and proposals. We also understand that W&T approached Arena's revolving facility lenders at least once before the petition date to submit a "tender offer" to purchase all or a portion of their claims, which a significant number of those lenders rejected. W&T itself informed us that W&T is in possession of Arena's confidential information (which W&T obtained improperly from a third party), despite having never signed a non-disclosure agreement with Arena.<sup>2</sup> W&T did not put forth a higher or otherwise better proposal than the settlement contemplated by the RSA before the petition date, and, for that reason, Arena and its creditors rejected W&T's various overtures.

At Friday's hearing, W&T's counsel indicated that W&T had "spen[t] significant time and expense"<sup>3</sup> in the prepetition process and, shortly after the hearing, shared with me a high-priority diligence list. Both of these actions led us to believe that W&T was prepared to submit a binding bid, and, on Sunday, the Transaction Committee directed me to facilitate that dialogue by (again) sharing a standard form of non-disclosure agreement with W&T's counsel.

Unfortunately, although W&T has changed counsel, it has not changed its approach to Arena. W&T has not submitted a bid or proposal and, as your most recent correspondence indicates, W&T does not intend to do so. Rather, W&T wishes "to discuss any proposal it may submit with the Company's creditors and other stakeholders," including, it would appear, creditors who are party to the RSA and, as such, are contractually prohibited from engaging in such discussions.<sup>4</sup>

The Transaction Committee fully stands behind our representation to the Court at Friday's hearing that Arena may continue to consider any higher and better bid, in each case, strictly as permitted by, and subject to the express terms of, the RSA.<sup>5</sup> Arena cannot, however, agree to a form of a non-disclosure agreement that could potentially permit a third party to circumvent the

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<sup>2</sup> Separately, our co-counsel, Susman Godfrey L.L.P., on August 23, 2020, demanded the return or destruction of the improperly-obtained confidential information, and that demand remains in place. Please expect to communicate with my firm regarding the Debtors' chapter 11 cases and with Susman Godfrey L.L.P. regarding the information currently improperly in your client's possession. To be clear, all rights (including to seek relief before the bankruptcy court with respect to such matter) are fully reserved in all respects.

<sup>3</sup> Aug. 21, 2020 Hr'g Tr. at 20:22-3.

<sup>4</sup> See RSA § 4.01(a)(i); RSA § 4.01(b)(i).

<sup>5</sup> See RSA § 13.03(c).

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Andrew Zatz  
August 26, 2020  
Page 3

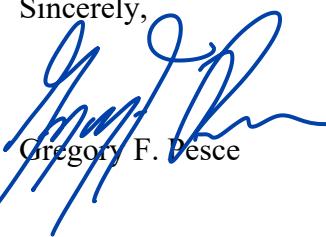
value-maximizing settlement reflected in the RSA.<sup>6</sup> The Transaction Committee strongly believes this is a particularly significant consideration as Arena heads into the vast uncertainty facing Arena's assets on account of the just-started hurricane season in the Gulf of Mexico.<sup>7</sup>

W&T has been involved in Arena's process for months, having twice submitted proposals to Arena and, as we understand it, having submitted at least one proposal to Arena's revolving facility lenders, all without having signed a non-disclosure statement agreement with Arena. If W&T desires to submit yet another proposal, it is free to do so and the Transaction Committee will, as previously communicated to the Court, consider such bid or proposal, in each case, strictly as permitted by, and subject to the express terms of, the RSA.

As it currently stands, the RSA remains the only fully-committed transaction available to Arena. Therefore, the RSA is the only path forward that the Transaction Committee believes will maximize the value of Arena's estates.

As noted in Geoffrey L. Harrison's August 23, 2020 letter, all rights are reserved and none are waived.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gregory F. Pesce".

cc: Geoffrey L. Harrison

<sup>6</sup> And, even if the form of non-disclosure agreement worked for Arena, we would not be in a position to execute it until W&T had provided Arena with a written proposal. *See RSA § 9.02(c).*

<sup>7</sup> Arian Campo-Flores, "Hurricane Laura Bears Down on Texas and Louisiana, Forecast to Grow," *Wall St. J.*, Aug. 25, 2020.